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| Bill no.: Com | mittee Print |
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| Amendment no.:_ | ly |
| Date offered: | 10/27/05 |
| Disposition: No | t Agreed to by |

AMENDMENT TO COMMITTEE PRINT 22 year gwl

OFFERED BY Mr. Dingell

(Amendment to Medicaid Reconciliation Provisions)
(Page & line nos. refer to Committee Print of 10/21/05)

At the end of chapter 5 of subtitle A, add the following:

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| 1 | SEC. [3145]. MINIMUM UPDATE FOR PHYSICIANS' SERVICES |
| 2 | FOR 2006 AND 2007. |
| 3 | (a) In General.—Section 1848(d) of the Social Se- |
| 4 | curity Act (42 U.S.C. 1395w-4(d)) is amended by adding |
| 5 | at the end the following new paragraphs: |
| 6 | "(6) UPDATE FOR 2006.—The update to the |
| 7 | single conversion factor established in paragraph |
| 8 | (1)(C) for 2006 shall not be less than 2.7 percent. |
| 9 | "(7) UPDATE FOR 2007.— |
| 10 | "(A) In general.—The update to the sin- |
| 11 | gle conversion factor established in paragraph |
| 12 | (1)(C) for 2007 shall not be less than the prod- |
| 13 | uct of— |
| 14 | "(i) 1 plus the Secretary's estimate of |
| 15 | the percentage change in the value of the |
| 16 | input price index (as provided under sub- |
| 17 | paragraph (B)(ii)) for 2007 (divided by |
| 18 | 100); and |

| 1 | "(ii) 1 minus the Secretary's estimate |
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| 2 | of the productivity adjustment factor under |
| 3 | subparagraph (C) for 2007. |
| 4 | "(B) INPUT PRICE INDEX.— |
| 5 | "(i) ESTABLISHMENT.—Taking into |
| 6 | account the mix of goods and services in- |
| 7 | cluded in computing the medicare economic |
| 8 | index (referred to in the fourth sentence of |
| 9 | section 1842(b)(3)), the Secretary shall es- |
| 10 | tablish an index that reflects the weighted- |
| 11 | average input prices for physicians' serv- |
| 12 | ices for 2006. Such index shall only ac- |
| 13 | count for input prices and not changes in |
| 14 | costs that may result from other factors |
| 15 | (such as productivity). |
| 16 | "(ii) Annual estimate of change |
| 17 | IN INDEX.—The Secretary shall estimate, |
| 18 | before the beginning of 2007, the change |
| 19 | in the value of the input price index under |
| 20 | clause (i) from 2006 to 2007. |
| 21 | "(C) PRODUCTIVITY ADJUSTMENT FAC- |
| 22 | TOR.—The Secretary shall estimate, and cause |
| 23 | to be published in the Federal Register not |
| 24 | later than November 1, 2006, a productivity ad- |
| 25 | justment factor for 2007 that reflects the Sec- |

| 1 | retary's estimate of growth in multifactor pro- |
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| 2 | ductivity in the national economy, taking into |
| 3 | account growth in productivity attributable to |
| 4 | both labor and nonlabor factors. Such adjust- |
| 5 | ment may be based on a multi-year moving av- |
| 6 | erage of productivity (based on data published |
| 7 | by the Bureau of Labor Statistics).". |
| 8 | (b) Conforming Amendment.—Section |
| 9 | 1848(d)(4)(B) of the Social Security Act (42 U.S.C. |
| 10 | 1395w-4(d)(4)(B)) is amended, in the matter preceding |
| 11 | clause (i), by striking "and paragraph (5)" and inserting |
| 12 | "paragraphs (5), (6), and (7)". |
| 13 | (e) Premium Transition Rule.—Notwithstanding |
| 14 | any other provision of law— |
| 15 | (1) 2006.— |
| 16 | (A) PREMIUM.—Nothing in this section |
| 17 | shall be construed as modifying the premium |
| 18 | previously computed under section 1839 of the |
| 19 | Social Security Act for months in 2006. |
| 20 | (B) GOVERNMENT CONTRIBUTION.—In |
| 21 | computing the amount of the Government con- |
| 22 | tribution under section 1844(a) of the Social |
| 23 | Security Act for months in 2006, the Secretary |
| 24 | of Health and Human Services shall compute |
| 25 | and apply a new actuarially adequate rate per |

| 1 | enrollee age 65 and over under section |
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| 2 | 1839(a)(1) of such Act taking into account the |
| 3 | provisions of this section. |
| 4 | (2) 2007.— |
| 5 | (A) PREMIUM.—The monthly premium |
| 6 | under section 1839 of the Social Security Act |
| 7 | for months in 2007 shall be computed as if this |
| 8 | section had not been enacted. |
| 9 | (B) GOVERNMENT CONTRIBUTION.—The |
| 10 | Government contribution under section 1844(a) |
| 11 | of the Social Security Act for months in 2007 |
| 12 | shall be computed taking into account the pro- |
| 13 | visions of this section, including subparagraph |
| 14 | (A). |